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State of Minnesota

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HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 1768

- 03/01/2021 Authored by Klevorn, Stephenson, O'Driscoll, Berg, Frazier and others
The bill was read for the first time and referred to the Committee on Commerce Finance and Policy
- 03/23/2021 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time
- 04/09/2021 Referred to the Chief Clerk for Comparison with S. F. No. 1020
- 04/12/2021 Postponed Indefinitely

1.1 A bill for an act

1.2 relating to commerce; modifying requirements for real estate appraiser continuing

1.3 education; amending Minnesota Statutes 2020, sections 45.305, subdivision 1, by

1.4 adding a subdivision; 45.306, by adding a subdivision; 45.33, subdivision 1, by

1.5 adding a subdivision; 82B.021, by adding subdivisions; 82B.03, by adding a

1.6 subdivision; 82B.195, by adding a subdivision; proposing coding for new law in

1.7 Minnesota Statutes, chapter 82B; repealing Minnesota Statutes 2020, section

1.8 45.306, subdivision 1.

1.9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.10 Section 1. Minnesota Statutes 2020, section 45.305, subdivision 1, is amended to read:

1.11 Subdivision 1. ~~Appraiser and Insurance Internet prelicense courses.~~ The design and

1.12 delivery of ~~an appraiser prelicense education course or an insurance prelicense education~~

1.13 course must be approved by the International Distance Education Certification Center

1.14 (IDECC) before the course is submitted for the commissioner's approval.

1.15 Sec. 2. Minnesota Statutes 2020, section 45.305, is amended by adding a subdivision to

1.16 read:

1.17 Subd. 1a. Appraiser Internet prelicense courses. The requirements for the design and

1.18 delivery of an appraiser prelicense education course are the requirements established by the

1.19 Appraiser Qualifications Board of the Appraisal Foundation and published in the most

1.20 recent version of the Real Property Appraiser Qualification Criteria.

2.1 Sec. 3. Minnesota Statutes 2020, section 45.306, is amended by adding a subdivision to
2.2 read:

2.3 Subd. 1a. **Appraiser Internet continuing education courses.** The requirements for the
2.4 design and delivery of an appraiser continuing education course are the requirements
2.5 established by the Appraiser Qualifications Board of the Appraisal Foundation and published
2.6 in the most recent version of the Real Property Appraiser Qualification Criteria.

2.7 Sec. 4. Minnesota Statutes 2020, section 45.33, subdivision 1, is amended to read:

2.8 Subdivision 1. **Prohibitions.** In connection with an approved course, coordinators and
2.9 instructors must not:

2.10 (1) recommend or promote the services or practices of a particular business;

2.11 (2) encourage or recruit individuals to engage the services of, or become associated with,
2.12 a particular business;

2.13 (3) use materials, clothing, or other evidences of affiliation with a particular entity,
2.14 except as provided under subdivision 3;

2.15 (4) require students to participate in other programs or services offered by the instructor,
2.16 coordinator, or education provider;

2.17 (5) attempt, either directly or indirectly, to discover questions or answers on an
2.18 examination for a license;

2.19 (6) disseminate to any other person specific questions, problems, or information known
2.20 or believed to be included in licensing examinations;

2.21 (7) misrepresent any information submitted to the commissioner;

2.22 (8) fail to cover, or ensure coverage of, all points, issues, and concepts contained in the
2.23 course outline approved by the commissioner during the approved instruction; and

2.24 (9) issue inaccurate course completion certificates.

2.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.26 Sec. 5. Minnesota Statutes 2020, section 45.33, is amended by adding a subdivision to
2.27 read:

2.28 Subd. 3. **Exceptions.** In connection with an approved course, coordinators and instructors
2.29 may:

2.30 (1) display a company or course provider's logo or branding;

3.1 (2) establish a trade show or conference booth outside the classroom where the
3.2 educational content is being delivered that is separate from a registration location used to
3.3 track or facilitate student attendance;

3.4 (3) display the logo or branding associated with a particular entity to thank the entity as
3.5 an organizational partner of the course provider during a scheduled and approved break in
3.6 the delivery of course content. The display must be separate from a registration location
3.7 used to track or facilitate student attendance; and

3.8 (4) display a third-party logo, promotion, advertisement, or affiliation with a particular
3.9 entity as part of a course program or advertising for an approved course. For purposes of
3.10 this clause, "course program" means digital or paper literature describing the schedule of
3.11 the events, presenters, duration, or background information of the approved course or
3.12 courses. A course program may be made available in the classroom or at a registration
3.13 location used to track or facilitate student attendance.

3.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.15 Sec. 6. Minnesota Statutes 2020, section 82B.021, is amended by adding a subdivision to
3.16 read:

3.17 Subd. 14a. **Evaluation.** "Evaluation" means an estimate of the value of real property,
3.18 made in accordance with the Interagency Appraisal and Evaluation Guidelines provided to
3.19 an entity regulated by a federal financial institution's regulatory agency, for use in a real
3.20 estate-related financial transaction for which an appraisal is not required by federal law.

3.21 Sec. 7. Minnesota Statutes 2020, section 82B.021, is amended by adding a subdivision to
3.22 read:

3.23 Subd. 16a. **Interagency Appraisal and Evaluation Guidelines.** "Interagency Appraisal
3.24 and Evaluation Guidelines" means the appraisal and evaluation guidelines provided by a
3.25 federal financial institution's regulatory agency, as provided by Federal Register, volume
3.26 75, page 77450 (2010), as amended.

3.27 Sec. 8. Minnesota Statutes 2020, section 82B.03, is amended by adding a subdivision to
3.28 read:

3.29 Subd. 3. **Evaluation.** A licensed real estate appraiser may provide an evaluation. When
3.30 providing an evaluation, a licensed real estate appraiser is not engaged in real estate appraisal
3.31 activity and is not subject to this chapter. An evaluation by a licensed real estate appraiser
3.32 under this subdivision must contain a disclosure that the evaluation is not an appraisal.

4.1 Sec. 9. Minnesota Statutes 2020, section 82B.195, is amended by adding a subdivision to
4.2 read:

4.3 Subd. 5. **Evaluation.** When providing an evaluation, a licensed real estate appraiser is
4.4 not required to comply with the Uniform Standards of Professional Appraisal Practice.

4.5 Sec. 10. **[82B.25] VALUATION BIAS.**

4.6 Subdivision 1. **Definition.** For the purposes of this section, "valuation bias" means to
4.7 explicitly, implicitly, or structurally select and apply data to an appraisal methodology or
4.8 technique in a biased manner that harms a protected class, as defined by the Fair Housing
4.9 Act of 1968, as amended.

4.10 Subd. 2. **Education.** Within two years of receiving a license under this chapter and as
4.11 required by the Appraiser Qualifications Board, a real property appraiser shall provide to
4.12 the commissioner evidence of satisfactory completion of a continuing education course on
4.13 the valuation bias of real property.

4.14 **EFFECTIVE DATE.** This section is effective September 1, 2021. A real property
4.15 appraiser who has received a license prior to the effective date of this section must complete
4.16 the course required by this section by August 31, 2023.

4.17 Sec. 11. **APPRAISER INTERNET COURSE REQUIREMENTS.**

4.18 Notwithstanding Minnesota Statutes, sections 45.305, subdivision 1a, and 45.306,
4.19 subdivision 1a, education providers may submit to the commissioner of commerce for
4.20 approval a classroom course under Minnesota Statutes, section 45.25, subdivision 2a, clause
4.21 (3), or a distance learning course, as defined in Minnesota Statutes, section 45.25, subdivision
4.22 5a, that has not been approved by the International Distance Education Certification Center.

4.23 **EFFECTIVE DATE.** This section is effective the day following final enactment and
4.24 expires after the peacetime emergency declared by the governor in an executive order that
4.25 relates to the infectious disease known as COVID-19 is terminated or rescinded or December
4.26 31, 2021, whichever is later.

4.27 Sec. 12. **REPEALER.**

4.28 Minnesota Statutes 2020, section 45.306, subdivision 1, is repealed.

APPENDIX
Repealed Minnesota Statutes: H1768-1

45.306 CONTINUING EDUCATION COURSES OFFERED OVER THE INTERNET.

Subdivision 1. **Appraiser Internet continuing education courses.** The design and delivery of an appraiser continuing education course must be approved by the International Distance Education Certification Center (IDECC) before the course is submitted for the commissioner's approval.